

AMENDED IN ASSEMBLY JUNE 28, 2006

SENATE BILL

No. 1692

Introduced by Senator ~~Vincent Migden~~

February 24, 2006

~~An act to amend Section 19610.8 of, and to add Section 19604.5 to, the Business and Professions Code, relating to horse racing, and making an appropriation therefor. An act relating to horse racing.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1692, as amended, ~~Vincent Migden. Horse racing: wagers. Horse racing.~~

Existing law generally regulates horse racing.

This bill would express the intent of the Legislature to address concerns relative to the representation of horse owners racing in Northern California, including changes to current law that would allow horsemen and horsewomen in the Northern Zone to more fully participate in the governance of horse racing in California, if necessary and appropriate.

~~Existing law authorizes the California Horse Racing Board, upon the request of the association or fair accepting the wager and the organization of participating horsemen and horsewomen, to set the percentage deducted from the parimutuel pool for proposition wagers and any new wager introduced after January 1, 2004, to be distributed as specified.~~

~~This bill would specify that this provision applies to in-state and out-of-state races, and would provide that those wagers are not subject to certain limitations regarding the number of thoroughbred races on which wagers are accepted statewide. The bill would also provide that licensed racing associations may accept wagers on the results of horse~~

~~racers conducted in or out of the state, and that if those races have been declared official, they are subject to the above provisions related to the distribution of parimutuel pool moneys.~~

~~Under existing law, revenues distributed to the state as license fees from horse racing are required to be distributed in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes.~~

~~By expanding the types of races that may be held and the numbers of wagers that may be placed, this bill would increase the amount of continuously appropriated license fees, thereby making an appropriation, and authorizing the imposition of a state tax for purposes of Article XIII A of the California Constitution.~~

~~Vote: majority. Appropriation: yes-no. Fiscal committee: yes no. State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 ~~SECTION 1. It is the intent of the Legislature to address~~
2 ~~concerns relative to the representation of horse owners racing in~~
3 ~~Northern California, including changes to current law that would~~
4 ~~allow horsemen and horsewomen in the Northern Zone to more~~
5 ~~fully participate in the governance of horse racing in California,~~
6 ~~if necessary and appropriate.~~
7 ~~SECTION 1. Section 19610.8 of the Business and~~
8 ~~Professions Code is amended to read:~~
9 ~~19610.8. (a) Notwithstanding any other provision of law, and~~
10 ~~in lieu of any deduction and distribution provided for in this~~
11 ~~chapter, upon the joint request of the association or fair accepting~~
12 ~~the wager, and the organization representing the horsemen and~~
13 ~~horsewomen participating in the meeting of the association or~~
14 ~~fair accepting the wager, the board may set the total percentage~~
15 ~~deducted from the parimutuel pool for proposition wagers and~~
16 ~~any new type of wager introduced after January 1, 2004, in an~~
17 ~~amount of at least 10 percent and not more than 30 percent of the~~
18 ~~amount handled in the parimutuel pool for the wager. Three~~
19 ~~percent of the amount deducted shall be paid to the state as a~~
20 ~~license fee and, if the wager was placed at a satellite wagering~~
21 ~~facility or a location other than the host racing association, 8~~
22 ~~percent of the amount deducted shall be paid to the satellite~~

~~wagering facility or to the entity that processed the wager. Notwithstanding the foregoing and in lieu of the license fee set forth herein for proposition wagers, with regard to quarter horse racing only, the total wagers made in a proposition parimutuel pool are subject to the same license fee as exotic wagers on a live quarter horse race. In addition, with respect to thoroughbred racing only, 3 percent of the amount remaining after the payment of the state license fee and payment to a satellite wagering facility or an entity that processed the wager, if any, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. Thereafter, for all kinds of racing, except quarter horse racing, the remaining amount shall be distributed 50 percent to the association conducting the racing meeting and 50 percent to the horsemen participating in the racing meeting as purses. With regard to quarter horse racing, commissions and purses shall be distributed in the amounts mutually agreed upon by the association conducting the meeting and the organization representing the horsemen and horsewomen.~~

~~(b) This section applies to races conducted in this state and outside the state by racing associations licensed in other states.~~

~~(c) Any wagers made that are subject to this section shall not be subject to the limitations contained in Section 19596.2 or 19596.3 relating to the number of races or to the time of day during which wagers may be accepted.~~

~~SEC. 2. Section 19604.5 is added to the Business and Professions Code, to read:~~

~~19604.5. Notwithstanding any provision of this chapter to the contrary, licensed racing associations may accept wagers on the results of horse races conducted in this state or outside this state. If the results of those races have been declared official, they shall not be subject to the limitations contained in Section 19596.2 and 19596.3 relating to the number of races or to the time of day during which wagers may be accepted. Those wagers shall be subject to the provisions of Section 19610.8.~~